



**GAMAGARA MUNICIPALITY**

**ANNUAL FINANCIAL STATEMENTS**

**for the year ended**

**30 JUNE 2009**

I am responsible for the preparation of these Annual Financial Statements, which are set out on pages 1 to 35, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of councillors as disclosed in Note 21 of these Annual Financial Statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read together with the Remuneration of Public Officers Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

---

**Mr C JOACHIM**  
**Municipal Manager**

---

**Date**

**GAMAGARA MUNICIPALITY**  
**ANNUAL FINANCIAL STATEMENTS**  
for the year ended 30 June 2009

AFS rounding:

***R (i.e. only cents)***

<b>Contact Information:</b>	
<b>Name of Municipal Manager:</b>	Mr C Joachim
<b>Name of Chief Financial Officer:</b>	Mr M Grond
Contact telephone number:	053 7232261
Contact e-mail address:	grondm@gamagara.co.za
<b>Name of contact at provincial treasury:</b>	Mr T Sediti
Contact telephone number:	053 831 4816
Contact e-mail address:	tsediti@ncpg.gov.za
<b>Name of relevant Auditor:</b>	Mr Baby Mathews
Contact telephone number:	053 831 1016
Contact e-mail address:	kmbag@agsa.co.za
<b>Name of contact at National Treasury:</b>	Jan Hattingh
Contact telephone number:	012-315 5009
Contact e-mail address:	Jan.Hattingh@Treasury.gov.za



**GAMAGARA MUNICIPALITY**  
**ANNUAL FINANCIAL STATEMENTS**  
for the year ended 30 June 2009

**General information**

**Members of the Council**

Mr M J Rakoi	<b>Mayor</b>
Mr J C Kaars	<b>Councillor</b>
Mr A C Olivier	<b>Councillor</b>
Mr O I Nampa	<b>Councillor</b>
Mr O E Hantise	<b>Councillor</b>
Mrs D P Moyo	<b>Councillor</b>
Mrs M M Diniza	<b>Councillor</b>
Mrs L K Bosman	<b>Councillor</b>

**Municipal Manager**

Mr C Joachim

**Chief Financial Officer**

Mr M Grond

**Grading of Local Authority**

Grade 2

**Auditors**

Auditor-General - Kimberley

**Bankers**

First National Bank

**GAMAGARA MUNICIPALITY**  
**ANNUAL FINANCIAL STATEMENTS**  
for the year ended 30 June 2009

**General information (continued)**

**Registered Office:**

KATHU

**Physical address:**

Corner of Hendrick van Eck & Frikkie Meyer

**Postal address:**

**P.O. Box 1001**  
KATHU  
8446

**Telephone number:**

053 - 7232261

**Fax number:**

053 - 7231364

**E-mail address:**

[grondm@gamagara.co.za](mailto:grondm@gamagara.co.za)



# **GAMAGARA MUNICIPALITY**

## **Annual Financial Statements For the Year Ended 30 June 2009**

<b>INDEX</b>	
	<b>Page</b>
<b>Statement of Financial Position</b>	<b>1</b>
<b>Statement of Financial Performance</b>	<b>2</b>
<b>Statement of Changes in Net Assets</b>	<b>3</b>
<b>Cash Flow Statement</b>	<b>4</b>
<b>Accounting Policies</b>	<b>5</b>
<b>Notes to the Annual Financial Statements</b>	<b>19</b>
<b>Appendix A: Schedule of External Loans</b>	<b>41</b>
<b>Appendix B: Analysis of Property, Plant and Equipment</b>	<b>42</b>
<b>Appendix C: Segmental Analysis of Property, Plant and Equipment</b>	<b>43</b>
<b>Appendix D: Segmental Statement of Financial Performance</b>	<b>44</b>
<b>Appendix E(1): Actual versus Budget (Revenue and Expenditure)</b>	<b>45</b>
<b>Appendix E(2): Actual versus Budget (Acquisition of Property, Plant and Equipment</b>	<b>46</b>
<b>Appendix F: Disclosures of Grants and subsidies in Terms of the Municipal Finance Management Act</b>	<b>47</b>

# GAMAGARA MUNICIPALITY

## Statement of Financial Position as at 30 June 2009

	Note	2009 R	2008 R
<b><u>NET ASSETS AND LIABILITIES</u></b>			
<b>Net Assets</b>		<b>82 162 047</b>	<b>95 925 585</b>
Housing Development Fund	1	-	-
Capital Replacement Reserve		-	23 817 306
Government Grant Reserve		6 391 735	5 384 825
Public Donation Reserve		7 916 664	1 247 887
Capitalisation Reserve		1 272 896	6 513 972
Accumulated Surplus/(Deficit)		66 580 752	58 961 595
<b>Non-Current Liabilities</b>		<b>57 556 100</b>	<b>70 704 204</b>
Long-Term Liabilities	2	57 556 100	70 704 204
<b>Current Liabilities</b>		<b>27 974 587</b>	<b>24 167 841</b>
Consumer Deposits	4	2 380 258	1 752 935
Provisions	5	1 629 990	6 191 362
Creditors	6	1 401 487	2 155 081
Unspent Conditional Grants & Receipts	7	3 622 247	1 020 418
VAT	8	411 909	-
Bank Overdraft	15	5 848 090	2 027 034
Current Portion of Long-Term Liabilities	2	12 680 606	11 021 011
<b>Total Net Assets and Liabilities</b>		<b>167 692 734</b>	<b>190 797 630</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>		<b>160 311 462</b>	<b>153 859 337</b>
Property, Plant and Equipment	11	160 311 462	153 859 337
Long-Term Receivables	10	-	-
<b>Current Assets</b>		<b>7 381 272</b>	<b>36 938 291</b>
Inventory	12	300 078	187 475
Consumer Debtors	13	4 802 597	8 703 007
VAT	8	331 391	1 595 823
Investments	9	-	-
Other Debtors	14	1 386 006	393 986
Bank and Cash	15	561 200	26 058 000
<b>Total Assets</b>		<b>167 692 734</b>	<b>190 797 628</b>



# GAMAGARA MUNICIPALITY

## Statement of Financial Performance for the Year Ended 30 June 2009

	Note	Actual 2009 R	Actual 2008 R
<b>REVENUE</b>			
Property Rates	16	7 100 458	6 641 793
Service Charges	17	58 095 474	45 518 172
Rental of Facilities & Equipment		982 308	213 983
Interest Earned - External Investments		2 022 346	2 401 530
Fines		356 957	233 197
Licences & Permits		695 556	574 770
Income for Agency Service		963 380	706 018
Government Grants and Subsidies	18	15 350 128	11 213 537
Other Income	19	1 922 618	12 817 688
Gains on Disposal of Property, Plant & Equipment		5 555 600	200 937
Bulk Services		2 533 860	-
Public contributions and donations		429 189	20 000
<b>SUB-TOTAL REVENUE</b>		<b>96 007 874</b>	<b>80 541 625</b>
Less: Revenue Foregone			
<b>TOTAL REVENUE</b>		<b>96 007 874</b>	<b>80 541 625</b>
<b>EXPENDITURE</b>			
Employee Related Cost	20	32 792 297	27 334 938
Remuneration of Councillors	21	1 632 923	1 438 792
Bad Debts		1 500 000	1 000 000
Collection Cost		1 962	-
Depreciation		10 649 595	-
Repairs & Maintenance		3 360 404	2 904 138
Interest Paid / Capital Charges	22	7 901 373	6 419 888
Bulk Purchases	23	21 923 572	13 888 241
Contributions		-	1 612 827
Redemption		-	2 324 153
Capital Expenditure		-	6 908 804
Contracted Services		447 395	-
Grants & Subsidies Paid	24	8 116 973	-
General Expenses	25	15 030 454	16 585 170
<b>TOTAL EXPENDITURE</b>		<b>103 356 948</b>	<b>80 416 951</b>
<b>SURPLUS / (DEFICIT)</b>		<b>-7 349 074</b>	<b>124 674</b>
Share of surplus/(deficit) of associate accounted for under equity method		-	-
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>-7 349 074</b>	<b>124 674</b>

# GAMAGARA MUNICIPALITY

## Statement of Changes in Net Assets for the Year Ended 30 June 2009

	Note	Pre-GRAP Reserves and Funds	Capitalisation Reserve	Housing Developme nt Fund	Capital Replacement Reserve	Government Grant Reserve	Donations & Public Contributions Reserve	Revaluation Reserve	Accumulated Surplus / (Deficit)	Total
<b>2008</b>			R	R	R	R	R	R	R	R
<b>Balance at 1 July 2008</b>			-				-	-		
Balance at 1 July 2008	26	42 875 788							2 308 458	2 308 458
Implementation of GRAP		-42 875 788	6 513 972	-	23 817 306	5 384 825	1 247 887		56 653 137	93 617 127
<b>Restated Balance</b>		-	6 513 972	-	23 817 306	5 384 825	1 247 887		58 961 595	95 925 585
<b>2009</b>										
Correction of Error	26		-	-			-	-	239 582	239 582
Contributions Bad Debt Provision				-					-6 654 046	-6 654 046
<b>Restated Balance</b>		-	6 513 972	-	23 817 306	5 384 825	1 247 887	-	52 547 131	89 511 121
Surplus / (Deficit) for the Year			-				-	-	-7 349 074	-7 349 074
Reserves Utilised in Operating			-		-19 470 921		-	-	19 470 921	-
Property, Plant & Equipment Purchased			-		-4 346 385		-	-	4 346 385	-
Contributions / Grants used to purchase PPE						3 021 658	89 189		-3 110 847	-
Offsetting of Depreciation			-122 237		-	-489 819	-64 180	-	676 236	-
<b>Balance at 30 June 2009</b>		-	6 391 735	-	-	7 916 664	1 272 896	-	66 580 752	82 162 047

#

Corrections with regard to capital expenditure from previous years funded from own funds were made and transferred to a Capitalisation Reserve. The depreciation raised for these years were also written to the Capitalisation Reserve.

# GAMAGARA MUNICIPALITY

## Cash Flow Statement for the Year Ended 30 June 2009

	Note	2009 R	2008 R
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Cash Receipts from Ratepayers, Government and Other		95 749 644	-
Cash Paid to Suppliers and Employees		91 225 569	-
<b>Cash Generated From / (Utilised in) Operations</b>	27	<b>4 524 075</b>	<b>49 844 338</b>
(Increase)/Decrease in working capital			1 214 496
Interest Received		2 022 346	2 401 530
Interest Paid		-7 901 373	-5 756 715
Disposal of property, plant and equipment			200 936
<b>Net Cash From Operating Activities</b>		<b>-1 354 952</b>	<b>47 904 585</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Purchase of Property, Plant and Equipment		-17 101 720	-44 889 798
<b>Net Cash From Investing Activities</b>		<b>-17 101 720</b>	<b>-44 889 798</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
New Loans Raised / (Repaid)		-11 488 509	37 686 934
Increase / (Decrease) in Call Investment Deposits		627 323	6 800 000
Increase / (Decrease) in Consumer Deposits		-	3 417 651
<b>Net Cash From Financing Activities</b>		<b>-10 861 186</b>	<b>47 904 585</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>-29 317 858</b>	<b>-</b>
Cash and cash equivalents at the beginning of the year		24 030 966	-
Cash and cash equivalents at the end of the year	28	-5 286 890	-
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>-29 317 856</b>	<b>-</b>

# GAMAGARA MUNICIPALITY

## Accounting Policies for the Annual Financial Statements For the Year Ended 30 June 2009

### 1 **BASIS OF PRESENTATION**

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for the revaluation of land and buildings, which are carried at fair value.

These annual financial statements have been prepared in accordance with Generally Accepted Municipal Accounting Practices (GAMAP) and Generally Recognised Accounting Practice (GRAP). These accounting policies are consistent with those of the previous financial year.

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of:

- General Notice 991 of 2005, issued in Government Gazette no. 28095 of 7 December 2005; and
- General Notice 992 of 2005, issued in Government Gazette no. 28095 of 15 December 2005.

The standards comprise of the following:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GAMAP 4	The Effects of Changes in Foreign Exchange Rates
GAMAP 6	Consolidated Financial Statements and Accounting for Controlled Entities
GAMAP 7	Accounting for Investments in Associates
GAMAP 8	Financial Reporting of Interests in Joint Ventures
GAMAP 9	Revenue
GAMAP12	Inventories
GAMAP 17	Property, Plant and Equipment
GAMAP 19	Provisions, Contingent Liabilities and Contingent Assets

Accounting policies for material transactions, events or conditions not covered by the above GRAP and GAMAP Standards have been developed in accordance with paragraph 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board. A summary of the significant accounting policies are disclosed below.

No	Standard No.	Standard Title
1	AC 105	Leases
2	AC 116	Employee benefits

The municipality is exempted from the following accounting reporting standards in terms of Government notice 504 dated 29 June 2007.

<b>Financial Reporting Standard</b>	<b>Detail</b>	<b>Extend of Exemption from Standard</b>
GRAP 3	Accounting policies, changes in accounting estimates and errors	Identification and impact of Grap standards that have been issued but are not yet effective and changes to accounting policies (Par 59-61 and 30 -31).
GAMAP 17	Property, plant and equipment	Review of depreciation method applied to PPE recognised in the annual financial statements.
		Review of useful life of items of PPE recognised in the annual financial statements.
		Impairment of non-cash-generating assets.
		Impairment of cash generating assets.
IAS 36; (AC 128)	Impairment of assets	Entire standard.
GAMAP 12	Inventories	The entire standard as far as it relates to immovable capital assets inventory that is accounted for in terms of GAMAP 17.
		The entire standard to the extent that it relates to water stock that was not purchased by the municipality.
IAS 40; (AC 135)	Investment property	The entire standard to the extent that the property is accounted for in terms of GAMAP 17.
		Disclosure of the fair value of the investment property if the cost model is applied and where the municipality has recognised the investment property in terms of this standards.
IAS 17; (AC 105)	Leases	Recognising operating lease payments / receipts on a straight-line basis if the amounts are recognised on the basis of the cash flows in the lease agreement.
IAS 38; (AC 129)	Intangible assets	The entire standard except for recognition, measurement and disclosure of computer software and website costs and all other costs are expensed.
IAS 19; (AC 116)	Employee benefits	Defined benefit accounting as far as it relates to defined benefit plans accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information.
GAMAP 9	Revenue	Initial measurement of fair value discounting all future receipts using an imputed rate of interest.
IAS 39; (AC 133)	Financial instruments: recognition and measurement	Initially measuring financial assets and financial liabilities at fair value.
IFRS 5; (AC 142)	Non-current assets held for sale and discontinued operations	Classification, measurement and disclosure of non-current assets held for sale.
IFRS 7; (AC 144)	Financial instruments: Disclosure	Entire standard to be replaced by IAS 32(AC 125) issued August 2006 and effective for financial statements covering periods beginning on or after 1 January 1998.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP or GRAP.



## **2 PRESENTATION CURRENCY**

These annual financial statements are presented in South African Rand.

## **3 GOING CONCERN ASSUMPTION**

These annual financial statements have been prepared on a going concern basis.

## **4 RESERVES**

### **4.1 Government Grant Reserve**

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

### **4.2 Donations and Public Contributions Reserve**

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/(deficit).

## **5 PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment, is stated at cost, less accumulated depreciation, except land and buildings, which are revalued as indicated below. Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated owing to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met.

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated asset lives:-

Asset	Years	Asset	Years
Roads and Paving	30	Specialist vehicles	10
Pedestrian Malls	30	Other vehicles	5
Electricity	20 - 30	Office equipment	3 - 7
Water	15 - 20	Furniture and fittings	7 - 10
Sewerage	15 - 20	Watercraft	15
Community Buildings	30	Bins and containers	5
Recreational Facilities	20 - 30	Specialised plant and equipment	10 - 15
Security	5	Other items of plant and equip	2 - 5
Buildings	30	Landfill sites	15

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

## **6 INVESTMENTS**

### **6.1 Financial Instruments**

Financial instruments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are stated at cost.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

## **7 INVENTORIES**

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average method.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

## **8 ACCOUNTS RECEIVABLE**

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified. Amounts that are receivable within 12 months from the reporting date are classified as current.

## **9 TRADE CREDITORS**

Trade creditors are stated at their nominal value.





## **10.1 Revenue from Exchange Transactions**

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers / plastic bags issued on each property, regardless of whether or not all containers / plastic bags are emptied / removed during the month.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

Interest and rentals are recognised on a time proportion basis.

Dividends are recognised on the date that the Municipality becomes entitled to receive the dividend.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

## **10.2 Revenue from non-exchange transactions**

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment are brought into use.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

## **11 CONDITIONAL GRANTS AND RECEIPTS**

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

## **12 PROVISIONS**

Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting sheet date and adjusted to reflect the current best estimate. Non-current provisions are discounted to the present value using a discount rate based on the average cost of borrowing to the Municipality.

## **13 CASH AND CASH EQUIVALENTS**

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred.

## **14 UNAUTHORISED EXPENDITURE**

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **15 IRREGULAR EXPENDITURE**

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **16 FRUITLESS AND WASTEFUL EXPENDITURE**

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

## **17 COMPARATIVE INFORMATION**

**17.1 Current year comparatives:**

Budgeted amounts have been included in the annual financial statements for the current financial year only.

**17.2 Prior year comparatives:**

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

**18 RETIREMENT BENEFITS**

The municipality provides retirement benefits for its employees and councillors. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The defined benefit funds, which are administered by the various Board of Directors of the funds, are actuarially valued in terms of their own rules and national legislation.

**19 BORROWING COSTS**

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

### 11 PROPERTY, PLANT AND EQUIPMENT

30 June 2009 Reconciliation of Carrying Value	Land and Buildings R	Infra- structure R	Community R	Heritage R	Other R	Total R
<b>Carrying Values at 1 July 2008</b>	<b>7 756 569</b>	<b>134 960 233</b>	<b>2 661 568</b>	<b>-</b>	<b>8 480 967</b>	<b>153 859 337</b>
Cost						
Correction of Error (Note 27)						
Accumulated Depreciation						
Acquisitions	471 456	13 652 094	176 273	-	2 801 897	17 101 720
Capital Under Construction	-	-	-	-	-	-
Depreciation	-209 072	-8 394 978	-318 658	-	-1 726 887	-10 649 595
Carrying Value of Disposals & Transfers	-	-	-	-	-	-
Cost	-	-	-	-	-	160 311 462
Accumulated Depreciation	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-
Other Movements	-	-	-	-	-	-
<b>Carrying Values at 30 June 2009</b>	<b>8 018 953</b>	<b>140 217 349</b>	<b>2 519 183</b>	<b>-</b>	<b>9 555 977</b>	<b>160 311 462</b>
Cost						
Accumulated Depreciation						

30 June 2008 Reconciliation of Carrying Value	Land and Buildings R	Infra- structure R	Community R	Heritage R	Other R	Total R
<b>Carrying Values at 1 July 2008</b>	<b>7 756 569</b>	<b>134 960 233</b>	<b>2 661 568</b>	<b>-</b>	<b>8 480 967</b>	<b>153 859 337</b>
Cost	9 515 294	170 454 557	7 543 642	-	17 004 276	204 517 769
Correction of Error (Note 27)	-	-	-	-	-	-
Accumulated Depreciation	-1 758 725	-35 494 324	-4 882 074	-	-8 523 309	-50 658 432
Acquisitions	-	-	-	-	-	-
Capital Under Construction	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Carrying Value of Disposals	-	-	-	-	-	-
Cost	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-
Other Movements	-	-	-	-	-	-
<b>Carrying Values at 30 June 2008</b>	<b>7 756 569</b>	<b>134 960 233</b>	<b>2 661 568</b>	<b>-</b>	<b>8 480 967</b>	<b>153 859 337</b>
Cost	9 515 294	170 454 557	7 543 642	-	17 004 276	204 517 769
Accumulated Depreciation	-1 758 725	-35 494 324	-4 882 074	-	-8 523 309	-50 658 432

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>1</b>	<b>TRUST FUNDS</b>		
		<u>#REF!</u>	<u>#REF!</u>
<b>2</b>	<b>LONG-TERM LIABILITIES</b>		
	Annuity Loans	57 556 100	70 704 204
	Less : Current portion transferred to current liabilities	12 680 607	11 021 011
	Annuity Loans	-	-
	<b>Total External Loans</b>	<u><b>44 875 493</b></u>	<u><b>59 683 193</b></u>
	<i>(Refer to Appendix A for more detail on long-term liabilities)</i>		
<b>3</b>	<b>TRUST ACCOUNTS</b>		
	<b>Employee Benefits in Trust</b>		
	Balance at Beginning of Year	-	-
	Received	-	-
	Capital Withdraw	-	-
	Interest Received	-	-
	Interest Withdraw	-	-
	<b>Balance at End of Year</b>	<u><b>-</b></u>	<u><b>-</b></u>
	<i>(Amounts kept in trust for beneficiaries of deceased employees was not previously recognised in the accounting system of the Council. This amounts must be invested and utilised in terms of the stipulations of the curator of the estate)</i>		

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>4</b>	<b>CONSUMER DEPOSITS</b>		
	Electricity and Water	2 368 563	1 752 935
	Sundry	11 695	
	<b>Total Consumer Deposits</b>	<b>2 380 258</b>	<b>1 752 935</b>
	<b>Guarantees Held In Lieu of Electricity and Water Deposits</b>	<b>-</b>	<b>-</b>
	<i>Councils policy do not allow for the payment of interest on the deposits held by the municipality.</i>		
<b>5</b>	<b>PROVISIONS</b>		
	Leave	1 466 388	1 220 277
	Provision Permormance BonusSection		
	57 Packages	163 602	4 971 085
	<b>Total Provisions</b>	<b>1 629 990</b>	<b>6 191 362</b>
	<i>is an estimate of the amount due at the reporting date.</i>		
	<i>The provision is an estimate of the amount due at the reporting date.</i>		
	<i>Leave provision for new employers, started during June is not included in above amount.</i>		
<b>6</b>	<b>CREDITORS</b>		
	Trade Creditors	15 126	963 966
	Payments Received in Advance	868 409	1 191 115
	Unidentified Deposits	-	-
	Sundry Creditors	422 012	-
	Other Creditors	95 940	-
		<b>1 401 487</b>	<b>2 155 081</b>
	Current Portion of Long-Term Liabilities	<b>1 401 487</b>	<b>2 155 081</b>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>Notes to the Financial Statements for the Year Ended 30 June 2009</b>			
<b>7</b>	<b>UNSPENT CONDITIONAL GRANTS AND RECEIPTS</b>		
<b>7.1</b>	<b>Conditional Grants From Other Spheres of Government</b>		
	Library Project	-	193 053
	Compost Project	-	340 000
	85 Houses Deben	26 879	326 334
	Arts & Culture	50 000	100 000
	Taxi Road	63 148	-
	MIG	3 482 221	-
	Provincial LED Projects	-	61 031
	<b>Total Conditional Grants and Receipts</b>	<b>3 622 248</b>	<b>1 020 418</b>
	<i>See Note 18 for reconciliation of grants from other spheres of government. These amounts are invested in a ring-fenced investment until utilised.</i>		
<b>8</b>	<b>VAT</b>		
	Input Vat	-411 909	1 295 642
	Output Vat	331 391	235 380
	VAT Receivable	<b>-80 518</b>	
	VAT Payable		<b>1 595 823</b>
	<i>VAT is payable on the invoice basis. Only once payment is received from debtors is VAT paid over to SARS and claimed from SARS when actual payment of creditors are done.</i>		
<b>9</b>	<b>INVESTMENTS</b>		
	<b>Financial Instruments</b>		
	<b>Unlisted</b>		
	Fixed Deposits	-	26 000 000
	Cal Deposit	-	58 000
		<b>-</b>	<b>26 058 000</b>



## **GAMAGARA MUNICIPALITY**

### **Notes to the Financial Statements for the Year Ended 30 June 2009**

<b>Note</b>	<b>Description</b>	<b>2009 R</b>	<b>2008 R</b>
-------------	--------------------	-------------------	-------------------

## GAMAGARA MUNICIPALITY

### Notes to the Financial Statements for the Year Ended 30 June 2009

Note 10	Description	2009 R	2008 R
	<b>LONG-TERM RECEIVABLES</b>		
	Sundry Staff Loans	-	-
	Less : Provision for Bad Debt	-	-
	<b>Total</b>	<u>-</u>	<u>-</u>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
12	<b>INVENTORY</b> Consumable Stores – At Cost	300 078 <u><b>300 078</b></u>	187 475 <u><b>187 475</b></u>
13	<b>TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS</b>		
		<b>Gross Balances</b>	<b>Provision for Bad Debts</b>
			<b>Net Balance</b>
		R	R
	<u><b>Trade receivables</b></u>		
	<u><b>As at 30 June 2009</b></u>		
	Service debtors		
	Rates	2 595 400	2 100 737
	Electricity	4 702 030	3 805 417
	Water	8 016 154	6 494 116
	Sewerage	2 211 791	1 790 424
	Refuse	4 517 804	3 656 385
	Sundry	3 174 745	2 568 248
	<b>Total</b>	<u><b>25 217 924</b></u>	<u><b>20 415 327</b></u>
	<u><b>As at 30 June 2008</b></u>		
	Rates	2 334 985	1 000 000
	Electricity	3 224 520	1 500 000
	Water	8 032 640	7 083 019
	Sewerage	2 176 251	1 500 000
	Refuse	4 503 462	2 500 000
	Sundry	4 014 168	2 000 000
	<b>Total</b>	<u><b>24 286 026</b></u>	<u><b>15 583 019</b></u>
	<u><b>Rates: Ageing</b></u>		
	Current (0 – 30 days)	525 223	378 571
	31 - 60 Days	131 567	153 950
	61 - 90 Days	96 553	88 959
	91 - 120 Days	81 541	1 713 505
	More than 120 days	1 760 515	-
	<b>Total</b>	<u><b>2 595 399</b></u>	<u><b>2 334 985</b></u>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>13</b>	<b>CONSUMER DEBTORS (Continue)</b>		
	<b><u>Electricity, Water, Refuse and Sewerage: Ageing</u></b>		
	Current (0 – 30 days)	4 294 535	1 944 134
	31 - 60 Days	1 066 200	922 528
	61 - 90 Days	921 614	653 427
	91 - 120 Days	613 069	14 416 785
	121 - 365 Days	12 552 361	-
	<b>Total</b>	<b><u>19 447 779</u></b>	<b><u>17 936 874</u></b>
	<b><u>Sundry Debtors</u></b>		
	Current (0 – 30 days)	94 104	72 038
	31 - 60 Days	58 663	36 276
	61 - 90 Days	7 809	31 520
	91 - 120 Days	12 076	3 874 334
	More than 120 days	3 002 093	-
	<b>Total</b>	<b><u>3 174 745</u></b>	<b><u>4 014 168</u></b>
	<b><u>Reconciliation of the bad debt provision</u></b>		
	Balance at beginning of the year	15 583 018	14 604 511
	Contributions during the year	1 500 000	1 000 000
	Adjustment	-3 321 738	-21 493
	Transfer from Accumulated Surplus	6 654 046	-
	<b>Balance at end of year</b>	<b><u>20 415 326</u></b>	<b><u>15 583 018</u></b>
<b>14</b>	<b>OTHER DEBTORS</b>		
	Sundry Debtors	599 567	393 986
	Vat	786 439	-
	<b>Total Other Debtors</b>	<b><u>1 386 006</u></b>	<b><u>393 986</u></b>
	<i>Included as other debtors on balance sheet</i>		

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
15	<b>BANK, CASH AND OVERDRAFT BALANCES</b>		
	The Municipality has the following bank account		
	<b><u>Current Account (Primary Bank Account)</u></b>		
	FIRST NATIONAL BANK -KATHU Branch - Account Number 53668 006 069		
	Cash book balance at beginning of year	-2 027 034	1 392 217
	Cash book balance at end of year	<u>-6 505 977</u>	<u>-2 677 759</u>
	Cheques in transit	657 887	647 168
	RD Cheques	<u>-</u>	<u>357</u>
		<u><b>657 887</b></u>	<u><b>-2 030 234</b></u>
	<b>Bank Statement Balance at Beginning of Year</b>	<u>9 020 187</u>	<u>11 700 305</u>
	<b>Bank Statement Balance at end of year</b>	<u>11 708 166</u>	<u>9 020 187</u>
	<b>Cash book balance at end of year</b>	<u><b>657 887</b></u>	<u><b>-2 030 234</b></u>
	<b>BANK &amp; CASH</b>		
	Call Investment deposits - FNB	558 000	58 000
	Call Investment deposits - ABSA	<u>26 000 000</u>	<u>26 000 000</u>
		<u><b>558 000</b></u>	<u><b>26 058 000</b></u>
	<b><u>Casher Floats and Petty Cash</u></b>		
	Casher Floats	1 200	1 200
	Petty Cash	<u>2 000</u>	<u>2 000</u>
		<u><b>3 200</b></u>	<u><b>3 200</b></u>
	<b>TOTAL Bank and Cash</b>	<u><b>661 087</b></u>	<u><b>-2 027 034</b></u>
16.	<b>PROPERTY RATES</b>		
	<b>General Rates</b>		
	Residential & Commercial	7 100 458	6 641 793
	<b>Total General Rates</b>		

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
	Total Assessment Rates	<u>7 100 458</u>	<u>6 641 793</u>
	<b><u>Valuations</u></b>	<b><u>30/06/2008</u></b>	<b><u>30/06/2007</u></b>
		<b>R000's</b>	<b>R000's</b>
	Total Property Valuations	548 666 023	548 669 847
	Non Rateable	39 754 753	41 553 533
	<b>Total Property Valuations</b>	<b><u>508 911 270</u></b>	<b><u>507 116 314</u></b>
	<p><i>Valuations on land and buildings are performed every four years. The last general valuation came into effect on 1 July 2003. Interim valuations are processed on a yearly basis taking into account changes in individual property values due to alterations and subdivisions. A general rate of .0140c in the Rand for Kathu and .0228 for Olifantshoek. (2008/09 = 0,0150c in the Rand for Kathu and .0242 for Olifantshoek) were applied to property valuations to determine assessment rates. Rebates of 20% are granted to state property owners. Rates are levied on an annual or monthly basis on properties depending on the choice made by the property owner. The final date of payment for annually levied rates was 30 September and monthly levied by the 15th of the following month.</i></p>		
17.	<b>SERVICE CHARGES</b>		
	Sale of Electricity	31 339 830.00	22 397 150
	Sale of Water	15 265 012.00	12 270 000
	Refuse Removal	6 371 703.00	5 611 187
	Sewerage and Sanitation Charges	<u>5 118 928.00</u>	<u>5 239 835</u>
	<b>Total Service Charges</b>	<b><u>58 095 473.00</u></b>	<b><u>45 518 172</u></b>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>18.</b>	<b>GOVERNMENT GRANTS AND SUBSIDIES</b>		
	Equitable Share	10 266 335	7 786 027
	Transport	2 101 943	
	Health Subsidy	-	63 200
	SETA Training Subsidy	256 052	100 310
	Library Development Fund	267 000	230 000
	Arts & Culture	-	100 000
	MIG	408 779	1 700 000
	MSIG	735 000	734 000
	FMG	500 000	500 000
	Sport Development	50 000	-
	Led	61 031	
	Library Development Fund	193 053	-
	Other Conditional Grants	510 935	-
	<b>Total Government Grants and Subsidies</b>	<b>15 350 128</b>	<b>11 213 537</b>
<b>18.1</b>	<b><i>Equitable Share, Health and Other Subsidies</i></b>		
	<i>In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive a monthly subsidy to a maximum of R 197.10, which is funded from this grant.</i>		
<b>18.4</b>	<b><i>Provincial Grants</i></b>		
	Balance unspent at beginning of year	193 053	-
	Current year receipts	267 000	-
	Conditions met - transferred to revenue	-460 053	-
	<b>Conditions still to be met - transferred to liabilities (see Note 7)</b>	<b>-</b>	<b>193 053</b>
	<i>The grant was utilised for the upgrading of library infrastructure and equipment.</i>		

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>18.</b>	<b>GOVERNMENT GRANTS AND SUBSIDIES (Continue)</b>		
<b>18.5</b>	<b>MIG</b>		
	Balance unspent at beginning of year	-	-
	Current year receipts	3 891 000	1 700 000
	Other transfers	-	-
	Conditions met - transferred to revenue	-408 779	-1 700 000
	<b>Conditions still to be met - transferred to liabilities (see Note 7)</b>	<b>3 482 221</b>	<b>-</b>
	grant .		
<b>18.6</b>	<b>MSIG</b>		
	Balance unspent at beginning of year	-	-
	Current year receipts -	735 000	734 000
	Conditions met - transferred to revenue	-500 000	-734 000
	<b>Conditions still to be met - transferred to liabilities (see Note 7)</b>	<b>-</b>	<b>-</b>
<b>18.8</b>	<b>FMG</b>		
	Balance unspent at beginning of year	-	-
	Current year receipts	500 000	500 000
	Conditions met - transferred to revenue	-	-500 000
	<b>Conditions still to be met - transferred to liabilities (see Note 7)</b>	<b>-</b>	<b>-</b>
<b>18.9</b>	<b>Other DWAF</b>		
	Balance unspent at beginning of year	-	-
	Current year receipts	510 935	-
	Other transfers	-	-
	Conditions met - transferred to revenue	-	-
	<b>Conditions still to be met - transferred to liabilities (see Note 7)</b>	<b>510 935</b>	<b>-</b>
<b>19</b>	<b>TRANSPORT</b>		
	Balance unspent at beginning of year	-	-
	Current year receipts	2 165 091	-
	Other transfers	-	-
	Conditions met - transferred to revenue	-2 101 943	-
	<b>Conditions still to be met - transferred to liabilities (see Note 7)</b>	<b>63 148</b>	<b>-</b>
<b>19.</b>	<b>OTHER INCOME</b>		
	Vat Claim Settled Previous Years	-	-
	Other	1 922 618	12 817 688
	<b>Total Other Income</b>	<b>1 922 618</b>	<b>12 817 688</b>



# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>20.</b>	<b>EMPLOYEE RELATED COSTS</b>		
	Employee Related Costs - Salaries and Wages	22 372 464	20 355 972
	Employee Related Costs - Contributions for UIF, Pension and Medical Aid Funds	5 011 845	5 408 298
	Annual Bonus	1 853 795	
	Allowances	760 630	
	Housing Benefits and Allowances	768 486	589 205
	Overtime Payments	1 911 478	833 745
	Performance Bonus	-	
	Uniforms	113 599	147 719
	Long-Service Awards	-	
	<b>Total Employee Related Costs</b>	<b>32 792 297</b>	<b>27 334 939</b>
	<i>There were no advances to employees.</i>		
	<b>Remuneration of the Municipal Manager</b>		
	Annual Remuneration	378 587	413 193
	Car Allowance	218 778	201 332
	Contributions to Pension, Group Life & Medical Aid Funds	90 289	-
	Performance Bonuses	-	16 793
	<b>Total</b>	<b>687 654</b>	<b>631 318</b>
	<b>Remuneration of the Chief Finance Officers</b>		
	Annual Remuneration	421 989	398 332
	Car Allowance	160 364	135 603
	Contributions to Pension, Group Life & Medical Aid Funds	-	-
	Sewerance Package	-	324 622
	Performance Bonuses	-	20 266
	<b>Total</b>	<b>582 353</b>	<b>878 823</b>
	<b>Remuneration of the Manager Technical Services</b>		
	Annual Remuneration	444 667	385 775
	Car Allowance	82 729	222 365
	Contributions to Pension, Group Life & Medical Aid Funds	16 058	-
	Performance Bonuses	-	-
	<b>Total</b>	<b>543 454</b>	<b>608 140</b>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
20.	<b>EMPLOYEE RELATED COSTS (Continue)</b>		
	<i><b>Remuneration of the Manager Corporate Services</b></i>		
	Annual Remuneration	406 393	374 922
	Car Allowance	199 500	150 000
	Contributions to Pension, Group Life & Medical Aid Funds	-	-
	Performance Bonuses	-	-
	<b>Total</b>	<b>605 893</b>	<b>524 922</b>
	<i><b>Remuneration of the Manager Community Services</b></i>		
	Annual Remuneration	468 457	418 422
	Car Allowance	133 000	119 000
	Contributions to Pension, Group Life & Medical Aid Funds	-	-
	Performance Bonuses	-	-
	<b>Total</b>	<b>601 457</b>	<b>537 422</b>
21.	<b>REMUNERATION OF COUNCILLORS</b>		
	Mayor	500 258	453 367
	Councillors	1 038 433	985 425
	Councillors' Pension / Medical Aid Contribution	94 232	-
	<b>Total Councillors' Remuneration</b>	<b>1 632 923</b>	<b>1 438 792</b>
	<i><b>In-kind Benefits</b></i>		
	<i>The Mayor are full-time councillors. Provided with an office and secretarial support at the cost of the Council.</i>		
	<i>The Executive Mayor has use of a Council owned vehicle for official duties.</i>		
22.	<b>INTEREST PAID</b>		
	Long-Term Liabilities	7 901 373	5 756 715
	Bank Overdrafts	-	-
	<b>Total Interest on External Borrowings</b>	<b>7 901 373</b>	<b>5 756 715</b>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>23.</b>	<b>BULK PURCHASES</b>		
	Electricity	19 155 352	13 012 810
	Water	2 768 221	875 431
	<b>Total Bulk Purchases</b>	<b><u>21 923 572</u></b>	<b><u>13 888 241</u></b>
<b>24.</b>	<b>GRANTS AND SUBSIDIES PAID</b>		
	Free Basic Services	3 764 561	3 938 536
	Indigent Funerals	53 007	56 905
	Library	267 000	124 247
	Transport	2 101 943	1 114 262
	MIG	408 779	1 700 000
	FMG	500 000	500 000
	MSIG	735 000	734 000
	Health	-	63 200
	Sports Development	51 030	-
	Seta Opleiding	235 653	-
		<b><u>8 116 973</u></b>	<b><u>8 231 150</u></b>
<b>25</b>	<b>GENERAL EXPENDITURE</b>		
	<i>General Expenditure Includes the Following</i>		
	Insurance Cost	499 138	373 338
	Telephone Cost	784 857	857 249
	Advertisements	510 886	239 229
	Bank Charges	160 850	92 754
	Printing & Stationery	473 456	346 187
	Municipal Consumption (Electricity & Water)	2 462 481	2 036 150
	Other General Cost	10 138 786	12 640 263
	Inter Departmental Charges	-	1 290 628
		<b>15 030 454</b>	<b>17 875 798</b>
	Less: Internal Cost Recovered	-	1 290 628
	<b>Total</b>	<b><u>15 030 454</u></b>	<b><u>16 585 170</u></b>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
26	<b>CORRECTION OF ERROR</b>		
26.3	<b>Adjustment to Accumulated Surplus</b>		
	<b>Other Prior Year Changes</b>		
	Correction to Creditors	-506 321	-
	Correction to Debtors	-8 822	-
	Correction to Expenditure	302 562	-
	Correction to Provision Leave	-1 037 479	-
	Correction to Provision Creditors (salaries)	1 489 641	-
	Contributions Bad Debt Provision	-	-
	<b>Restated Value of Accumulated Surplus</b>	<b>239 581</b>	<b>-</b>
27	<b>CASH GENERATED BY OPERATIONS</b>		
	Surplus / (Deficit) for the Year	-7 349 074	124 674
	<b>Adjustment for:-</b>		
	Depreciation	10 649 595	-
	Current year adjustments	-	-1 106 104
	Contributions	-	39 455 816
	Interest & Redemption	-	8 744 041
	Correction of Error	-6 414 464	-
	Interest Paid	7 901 373	-
	Investment Income	-2 022 346	-2 315 082
	<b>Operating Surplus Before Working Capital Changes</b>	<b>2 765 084</b>	<b>44 903 345</b>
	Decrease in Inventories	-112 603	-
	(Increase) / Decrease in Debtors	3 900 410	-
	(Increase) / Decrease in Other Debtors	-992 020	-
	Increase in Provisions	-4 807 483	-
	(Increase)/decrease in VAT receivable	1 264 432	-
	Increase in Conditional Grants and Receivable	2 601 829	-
	Increase in Creditors	-507 483	-
	Increase in VAT	411 909	-
	Non Cash Expenditure debited to Funds	-	-10 883 822
	Non Cash Income credited to Funds	-	15 824 815
	<b>Cash Generated by / (Utilised in) Operations</b>	<b>4 524 075</b>	<b>49 844 338</b>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>28</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position:		
	Bank Balances and Cash	-6 505 977	-2 677 759
	Bank Overdrafts	-	-
	Bank Account Deposit in transit	657 887	647 168
	RD Tjeks	-	357
	Petty Cash	3 200	3 200
	<b>Total Cash and Cash Equivalents</b>	<b>-5 844 890</b>	<b>-2 027 034</b>
	<b>RECONCILIATION OF THE CASH POSITION</b>		
	<b>Available cash</b>		
	Investments	-	26 000 000
	Call Investment Deposits	558 000	58 000
	<b>Total Cash</b>	<b>558 000</b>	<b>26 058 000</b>
	<b>Funds, Provisions &amp; Reserves to be Cash Backed</b>		
	Trust Accounts	-	-
	Unspent Grants	3 622 247	-
	Unspent Loans	-	-
	Capital replacement reserve	-	-
	<b>Total Cash Requirement</b>	<b>3 622 247</b>	-
	<b>CASH SHORTFALL</b>	<b>-3 064 247</b>	-
	<i>Capital expenditure were financed the last financial year from the operating surplus that was not cash backed. provisions and reserves will then be replaced.</i>		
<b>29</b>	<b>RECONCILIATION</b>		
	Long-Term Liabilities	12 680 607	11 021 011
	<b>Cash Invested</b>	<b>12 680 607</b>	<b>11 021 011</b>
	<i>Long-term liabilities have been utilised in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date. All available cash from external loans has been used to finance PPE.</i>		

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>30</b>	<b>ADDITIONAL DISCLOSURES IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT</b>		
<b>30.1</b>	<b><i>Contributions to Organised Local Government</i></b>		
	Opening Balance	-	-
	Council Subscriptions 2008/09	139 508	-
	Council Subscriptions for 2007/08	-	71 821
	Amount Paid - Current Year	-139 508	-71 821
	<b>Balance Unpaid</b>	<u>-</u>	<u>-</u>
<b>30.2</b>	<b><i>Audit Fees</i></b>		
	Opening Balance	-	-
	Current Year Audit Fees - External	885 429	832 605
	Current Year Audit Fees - Internal	430 000	-
	Amount Paid - Current Year C00238	-1 315 429	832 605
	<b>Balance Unpaid (Included in Creditors)</b>	<u>-</u>	<u>-</u>
<b>30.3</b>	<b><i>VAT</i></b>		
	VAT input receivables and VAT output receivables are shown in Note 7. All VAT returns have been submitted by the due date throughout the year.		
<b>30.4</b>	<b><i>PAYE &amp; UIF 2007/08</i></b>		
	<b><i>PAYE</i></b>		
	Opening Balance	-	-
	Current Year Payroll Deductions	3 216 990	3 089 219
	Amount Paid - Current Year	-3 216 990	-3 089 219
	<b>Balance Unpaid (Included in Creditors)</b>	<u>-</u>	<u>-</u>
<b>30.4</b>	<b><i>UIF PAYMENTS</i></b>		
	Opening Balance	-	-
	Current Year Payroll Deductions	317 322	-
	Amount Paid - Current Year	-317 322	-
	<b>Balance Unpaid (Included in Creditors)</b>	<u>-</u>	<u>-</u>
<b>30</b>	<b><i>Pension and Medical Aid Deductions 2007/08</i></b>		
	<b><i>Pension Deductions</i></b>		
	Opening Balance	-	-
	Current Year Payroll Deductions and Council Contributions	3 014 632	6 616 132
	Amount Paid - Current Year	-3 014 632	6 616 132
	<b>Balance Unpaid</b>	<u>-</u>	<u>-</u>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>30</b>	<b><i>Medical Aid Deductions</i></b>		
	Opening Balance	-	-
	Current Year Payroll Deductions and Council Contributions	1 451 799	-
	Amount Paid - Current Year	-1 451 799	-
	<b>Balance Unpaid</b>	<u>-</u>	<u>-</u>
<b>30.6</b>	<b>Councillor's Arrear Consumer Accounts</b>		
	Cllr C Olivier	-	34 746
	Cllr L Bosman	330	316
	Cllr O E Hantise	-	159
	Cllr S Kaars	-	2 144
		<u>330</u>	<u>37 365</u>

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>32</b>	<b>ADDITIONAL DISCLOSURES IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT (Continue)</b>		
<b>32.1</b>	<b>Unauthorised, Irregular or Fruitless and Wasteful Expenditure</b>		
	I am not aware of any unauthorised, irregular or fruitless and wasteful expenditure that are recoverable. However, I have instituted disciplinary proceedings against four senior officials that might be involved with unauthorised, irregular or fruitless and wasteful expenditure. KPMG is busy with a forensic audit and at this point in time no further particulars of possible unauthorised, irregular or fruitless and wasteful expenditure are available. After completion of the forensic audit I will report the matter to the South African Police Service if needed.		
<b>32.2</b>	<b>Fruitless and wasteful expenditure</b>		
	D Witbooi		82 332
<b>32.3</b>	<b>Irregular expenditure</b>		
	Purchase of motor vehicle		336 798
	Other		123 010
			459 808
<b>33</b>	<b>CAPITAL COMMITMENTS</b>		
	<b>Commitments in Respect of Capital Expenditure:</b>		
	Approved and Contracted for -		
	Infrastructure Electricity 76 & 35 Stands	435 556	393 557
	Infrastructure Electricity North Ring 2006/65	41 120	82 024
	Infrastructure Electricity Main Substation 2006/68	338 894	1 002 186
	Infrastructure Electricity 11KW Switching Station 2006/67	78 725	411 026
	Infrastructure Electricity 11KW Temco 2006/66	52 484	205 532
	Infrastructure Electricity Booster	1 544 098	-
	Infrastructure Electricity Kathu Industrial Stands	143 183	-
	Infrastructure Electricity Split Sesheng Line	89 189	-
	Infrastructure Construction Sewer Pump 2006/75	-	619 379
	Infrastructure Sewer Pipeline 2006/09	343 467	464 551
	Infrastructure Sewer Gravity Outfall 2006/64	499 592	450 026
	Infrastructure Sewer Installation 2006/74	169 877	173 822
	Infrastructure Sewer Ditlounge Olifantshoek	408 779	-



# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
	<i>Infrastructure Water Pipes X3 2006/100</i>	956 672	90 503
	<i>Infrastructure Water Temco 2006/83</i>	-	130 841
	<i>Infrastructure Water Pipeline Reservoir 216110</i>	109 703	190 642
	<i>Infrastructure Water Reservoir 219590YNO</i>	5 509 856	8 759 571
	<i>Infrastructure Water Scada System</i>	510 935	-
	<i>Infrastructure Resealing Roads</i>	45 069	165 812
	<i>Infrastructure Upgrading Taxi Road Olifanthsoek</i>	2 101 943	-
	<i>Community</i>	-	-
	<i>Other</i>	-	-
	Approved but not yet Contracted for -		
	<i>Infrastructure Reservoir</i>	3 806 413	-
	<i>Community</i>	-	-
	<i>Other</i>	-	-
	<b>Total</b>	<b>17 185 555</b>	<b>13 139 472</b>
	<b><i>This expenditure will be financed from:</i></b>		
	External Loans	5 509 856	393 557
	Own Resources	8 564 853	12 745 915
	Government Grants	3 021 658	-
	Assmang	89 189	-
		<b>17 185 555</b>	<b>13 139 472</b>
<b>34</b>	<b>RETIREMENT BENEFIT INFORMATION</b>		
	All councillors and employees belong to retirement and pension funds approved by the South African Local Government Bargaining Council. These funds are subject to regular actuarial valuation. These funds are run by their own Board of Directors and each fund has their own rules, compliant to legislation, that they must adhere to.		
<b>35</b>	<b>CONTINGENT LIABILITY</b>		
	<b>Claim from Frederek Byliefeldt</b>	<b>540 000</b>	<b>-</b>
	<i>Council is being sued for R 540 000 by Mr F Byliefeldt for injuries and damages to his motorcycle arising from an accident caused by a pothole in the road.</i>		
	..		
	<b>Claim from Babereki</b>	<b>1 200 000</b>	<b>-</b>
	<i>The claim is under review</i>		

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
<b>36</b>	<b>PRIVATE PUBLIC PARTNERSHIP</b>  Council has not entered into any private partnerships during the financial year 2008/2009.		
<b>37</b>	<b>EVENTS AFTER THE REPORTING DATE</b>  <u>35.1 External Loans</u>  The Municipality received R 7 977 710.88 during August 2009 from Mr A Markgraaff for payment of bulk services for 258 stands (Kalahari Golf & Jag). The amount is paid over to DBSA within 2 days in compliance with the contract.		
<b>38</b>	<b>PURCHASES FROM RELATED PARTIES</b>  Miss. E Ras - KATHU BOEKSENTRUM Committee Clerk  Miss. R Loots - LAVENDER MOON Creditors Clerk  Mr L Loots - LAVENDER MOON Superintendent  <b>Total Purchases</b>	<div style="text-align: right;">641 36</div> <hr/> <div style="text-align: right;">6 521</div> <hr/> <div style="text-align: right;">70 663</div> <hr/>	<div style="text-align: right;">138 431</div> <hr/> <div style="text-align: right;">4 931</div> <hr/> <div style="text-align: right;">138 431</div> <hr/>
<b>39</b>	<b>RISK MANAGEMENT</b>  39.1 <u>Maximum credit risk exposure</u>  Credit risk consists mainly of cash deposits, equivalents and trade debtors. The municipality only deposit cash with major banks with high quality credit standing and limits exposure to any one counter-party.  Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis.		

# GAMAGARA MUNICIPALITY

## Notes to the Financial Statements for the Year Ended 30 June 2009

Note	Description	2009 R	2008 R
39.2	<p><u>Interest rate risk</u></p> <p>The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk.</p> <p>Borrowings issued at fixed rates expose the municipality to fair value interest rate risk. Municipality policy is to maintain approximately 60% of its borrowings in fixed rate instruments.</p> <p>At year end, financial instruments exposed to interest rate risk were as follows :</p> <p>Development Bank of South Africa Loan Call deposits</p>		
40	<p><b>COMPARISON WITH THE BUDGET</b></p> <p>and E(2). Annexures E(1) and E(2).</p>		

GAMAGARA MUNICIPALITY			
Notes to the Financial Statements for the Year Ended 30 June 2009			
Note	Description	2009 R	2008 R

## GAMAGARA MUNICIPALITY

### APPENDIX A: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2009

External Loans	Loan Number	Redeemable	Balance at 30/06/2008	Received During the Period	Redeemed / Written-off During the Period	Balance at 30/06/2009	Carrying Value of Property, Plant & Equip	Other Costs in Accordance With the MFMA
			R	R	R	R	R	R
Development Bank of SA @ 12.2%	100076	31/12/2013	3 566 450	-	488 598	3 077 852	4 765 008	-
Development Bank of SA @ 12.075%	101149	30/06/2014	585 616	-	97 603	488 013	805 048	-
Development Bank of SA @ 10.76%	101509	30/06/2015	4 974 521	-	507 922	4 466 599	6 886 415	-
Development Bank of SA @ 8.631%	101796	30/06/2021	22 026 247	-	972 159	21 054 088	32 604 402	-
Development Bank of SA @ 9.555%	102758	30/06/2012	13 067 825	-	2 825 295	10 242 530	15 861 601	-
Development Bank of SA @ 9.555%	102759	30/06/2012	5 925 000	-	1 280 999	4 644 001	7 191 028	-
Development Bank of SA @ 9.555%	102760	30/06/2012	4 931 247	-	1 066 148	3 865 100	5 983 457	-
Development Bank of SA @ 9.555%	102854	30/06/2013	26 648 311	-	4 249 787	22 398 524	34 693 172	-
<b>TOTAL EXTERNAL LOANS</b>			<b>81 725 217</b>	<b>-</b>	<b>11 488 511</b>	<b>70 236 706</b>	<b>108 790 131</b>	<b>-</b>

GAMAGARA MUNICIPALITY

APPENDIX B: ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009

	Cost / Revaluation					Accumulated Depreciation					Carrying Value	Budget Additions 2008
	Opening Balance	Additions	Transfers	Disposals	Closing Balance	Opening Balance	Additions	Transfers	Disposals	Closing Balance		
Land and Buildings												
Municipal Buildings												
Land and Buildings	9 515 294	471 456			9 986 750	1 758 725	209 072			1 967 797	8 018 953	
	9 515 294	471 456	-	-	9 986 750	1 758 725	209 072	-	-	1 967 797	8 018 953	-
<u>Infrastructure</u>												
Drains	46 500	89 189			135 689	17 419	2 325			19 744	115 945	
Roads	12 242 713	2 147 012			14 389 725	5 354 569	810 428			6 164 997	8 224 728	
Sewerage Mains & Purification	51 943 407	2 378 388			54 321 795	11 622 088	2 298 402			13 920 490	40 401 305	
Electricity Mains	29 579 182	2 907 012			32 486 194	4 685 413	1 447 146			6 132 559	26 353 635	
Electricity Peak Control Equipment	11 759 156				11 759 156	996 155	587 958			1 584 113	10 175 043	
Water Mains & Purification	4 242 146	510 935			4 753 081	312 667	212 351			525 018	4 228 063	
Water Mains	39 958 210				39 958 210	11 899 288	1 997 755			13 897 043	26 061 167	
Reservoirs Water	20 662 986	5 619 558			26 282 544	604 024	1 037 263			1 641 287	24 641 257	
Water Meters	20 257				20 257	2 701	1 350			4 051	16 206	
Pedestrian Facilities												
Security Measures												
	170 454 557	13 652 094			184 106 651	35 494 324	8 394 978			43 889 302	140 217 349	
<u>Community assets</u>												
Parks & Gardens	787 023	176 273			963 296	510 102	33 692	-	-	543 794	419 502	-
Libraries	625 101				625 101	158 229	20 837			179 066	446 035	
Recreation Grounds	4 525 247				4 525 247	1 910 554	212 314			2 122 868	2 402 379	
Civic Buildings	1 606 271				1 606 271	375 327	51 815			427 142	1 179 129	
Clinics	-				-	-	-			-	-	
Cemeteries	-				-	-	-			-	-	
Other	-				-	-	-			-	-	
Old Age Homes	-				-	-	-			-	-	
	7 543 642	176 273	-	-	7 719 915	2 954 212	318 658	-	-	3 272 870	4 447 045	-
<u>Heritage Assets</u>												
Historical Buildings	-				-	-	-	-	-	-	-	-
Paintings & Art Galleries	-				-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
<u>Housing Rental Stock</u>												
Housing Schemes	-				-	-	-			-	-	
	-	-	-	-	-	-	-	-	-	-	-	-
<u>Other Assets</u>												
Landfill Sites	2 329 406		-	-	2 329 406	1 927 862	220 687			2 148 549	180 857	
Office Equipment	690 706	42 446	-	-	733 152	562 596	44 649			607 245	125 907	
Furniture & Fittings	599 753	452 992	-	-	1 052 745	385 249	74 578			459 827	592 918	
Bins & Containers	8 372		-	-	8 372	8 372				8 372	-	
Emergency Equipment	18 839		-	-	18 839	18 839				18 839	-	
Motor Vehicles	10 855 678	1 716 904	-	-	12 572 582	5 391 677	1 186 372			6 578 049	5 994 533	
Fire Engines	-	-	-	-	-	-	-			-	-	
Other Transport	-	-	-	-	-	-	-			-	-	
Computer Equipment	2 501 522	410 680	-	-	2 912 202	2 156 576	188 468			2 345 044	567 158	
Plant & Equipment		80 777	-	-	80 777		12 133			12 133	68 644	
	17 004 276	2 703 799	-	-	19 708 075	10 451 171	1 726 887	-	-	12 178 058	7 530 017	-
<u>Inventory Items</u>												
Small Assets		98 098	-	-	98 098						98 098	
	-	98 098	-	-	98 098	-	-	-	-	-	98 098	-
GRAND TOTAL	204 517 769	17 101 720	-	-	221 619 489	50 658 432	10 649 595	-	-	61 308 027	160 311 462	-



# GAMAGARA MUNICIPALITY

## APPENDIX C: SEGMENTAL ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009

	Cost / Revaluation					Accumulated Depreciation					Carrying Value	Budget Additions 2009
	Opening Balance	Additions	Transfers	Disposals	Closing Balance	Opening Balance	Additions	Transfers	Disposals	Closing Balance		
Executive & Council	4 068 649	997 434	-	-	5 066 083	1 069 365	187 360	-	-	1 256 725	3 809 358	
Finance & Admin	5 153 968	392 019	-	-	5 545 987	2 688 410	235 351	-	-	2 923 761	2 622 226	
Planning & Development	9 940	32 620	-	-	42 560	2 761	4 401	-	-	7 162	35 398	
Health	24 604	-	-	-	24 604	10 636	5 189	-	-	15 825	8 779	
Community & Social	2 298 147	242 698	-	-	2 540 845	656 251	85 610	-	-	741 861	1 798 984	
Housing (i)	2 746 618	-	-	-	2 746 618	823 903	91 554	-	-	915 457	1 831 161	
Public Safety	2 142 523	-	-	-	2 142 523	1 058 642	116 224	-	-	1 174 866	967 657	
Sport & Recreation	5 269 702	-	-	-	5 269 702	2 549 681	242 972	-	-	2 792 653	2 477 049	
Environmental Services	-	-	-	-	-	-	-	-	-	-	-	
Waste Management	62 839 715	2 683 205	-	-	65 522 920	17 318 894	3 461 702	-	-	20 780 596	44 742 324	
Roads	10 413 405	2 147 012	-	-	12 560 417	4 587 053	719 579	-	-	5 306 632	7 253 785	
Water	65 119 371	6 354 534	-	-	71 473 905	12 961 919	3 298 051	-	-	16 259 970	55 213 935	
Electricity	39 346 754	2 996 201	-	-	42 342 955	5 035 819	2 006 418	-	-	7 042 237	35 300 718	
Other	5 084 373	1 157 899	-	-	6 242 272	1 895 098	195 184	-	-	2 090 282	4 151 990	
Other	-	98 098	-	-	98 098	-	-	-	-	-	98 098	-
TOTAL	204 517 769	17 101 720	-	-	221 619 489	50 658 432	10 649 595	-	-	61 308 027	160 311 462	-



## GAMAGARA MUNICIPALITY

### APPENDIX D: SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009

2008 Actual Income R	2008 Actual Expenditure R	2008 Surplus/ (Deficit) R		2009 Actual Income R	2009 Actual Expenditure R	2009 Surplus/ (Deficit) R
9 547 184	12 038 930	-2 491 746	Executive & Council	10 340 925	12 717 353	-2 376 428
9 374 975	11 447 720	-2 072 745	Finance & Admin	16 112 286	15 072 709	1 039 577
139 104	3 091 612	-2 952 508	Planning & Development	118 397	5 217 823	-5 099 426
65 456	1 734 244	-1 668 788	Health	1 546	930 581	-929 035
343 797	1 454 550	-1 110 753	Community & Social	594 390	2 612 793	-2 018 403
1 505 129	2 053 240	-548 111	Public Safety	2 007 494	2 508 136	-500 642
1 507 406	5 191 922	-3 684 516	Sport & Recreation	864 287	5 701 823	-4 837 536
-	-	-	Environmental Services	6 769 100	6 852 569	-83 469
14 902 822	13 448 883	1 453 939	Waste Management	6 128 315	9 511 346	-3 383 031
1 719 186	4 993 866	-3 274 680	Road Transport	2 101 943	2 789 951	-688 008
14 594 812	6 575 166	8 019 646	Water	18 349 403	13 716 925	4 632 478
26 820 101	17 831 822	8 988 279	Electricity	32 619 788	24 905 499	7 714 289
21 653	554 996	-533 343	Other	-	819 441	-819 441
<b>80 541 625</b>	<b>80 416 951</b>	<b>124 674</b>	<b>SUB-TOTAL</b>	<b>96 007 874</b>	<b>103 356 948</b>	<b>-7 349 074</b>
<b>80 541 625</b>	<b>80 416 951</b>	<b>124 674</b>	<b>TOTAL</b>	<b>96 007 874</b>	<b>103 356 948</b>	<b>-7 349 074</b>